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FIRE PROTECTION DISTRICT NO. 3  
OF THE PARISH OF ACADIA,  
STATE OF LOUISIANA

COMPILED FINANCIAL REPORT

December 31, 2002

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and where appropriate, at the office of the parish clerk or court.

Release Date 8/20/03

## TABLE OF CONTENTS

	<b>Page</b>
Accountants' Compilation Report	
General Purpose Financial Statements:	
Combined Balance Sheet - All Fund Types and Account Groups	1-2
Governmental Funds:	
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances	3
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances-General Fund-Budget to Actual	4
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances-Debt Service Fund - Budget to Actual	5
Notes to the Financial Statements	6-11
Independent Accountants' Report on Applying Agreed-Upon Procedures	12-14
Schedule of Findings and Recommendations	15
Schedule of Prior Year's Findings and Recommendations	16
Louisiana Attestation Questionnaire	17-18

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Accountants' Compilation Report

Board of Commissioners  
Fire Protection District No. 3 of Acadia Parish, State of Louisiana  
Evangeline, Louisiana

We have compiled the accompanying balance sheet of Fire Protection District No. 3 of Acadia Parish as of December 31, 2002 and the related statement of Revenues, Expenditures and Changes in Fund Balance for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and accordingly, do not express an opinion or any other form of assurance on them.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, we have issued a report, dated July 2, 2003, on the results of our agreed-upon procedures.

*Vige & Tujague*

Vige & Tujague  
July 2, 2003

FIRE PROTECTION DISTRICT NO. 3 OF THE  
PARISH OF ACADIA, STATE OF LOUISIANA  
Combined Balance Sheet All Fund Types and Account Groups  
December 31, 2002

	<u>Governmental</u> <u>Fund Types</u>	
	<u>General</u>	<u>Debit Service Fund</u>
Assets		
Cash	\$ 21,078	\$ -
Certificate of Deposit	20,966	51,622
Land, Buildings & Equipment	-	-
Amounts available in Debt service Fund	-	-
Amounts to be provided for Retirement of Long-Term Debt	-	-
Total Assets	<u>\$ 42,044</u>	<u>\$ 51,622</u>
LIABILITIES, EQUITY AND OTHER CREDITS		
Liabilities:		
Accounts Payable	\$ 1,097	\$ -
Certificate of Indebtedness	-	-
Total Liabilities	<u>\$ 1,097</u>	<u>\$ -</u>
EQUITY AND OTHER CREDITS:		
Investment in General		
Fixed Assets	\$ -	\$ -
Fund Balances		
Reserved For Debt Service	-	51,622
Unreserved	40,947	-
Total Equity and Other Credits	<u>\$ 40,947</u>	<u>\$ 51,622</u>
Total Liabilities, Equity and Other Credits	<u>\$ 42,044</u>	<u>\$ 51,622</u>

<u>Account Groups</u>		
<u>General</u>	<u>General</u>	<u>Totals</u>
<u>Long-Term</u>	<u>Fixed</u>	<u>(Memorandum</u>
<u>Debt</u>	<u>Assets</u>	<u>Only)</u>
\$ -	\$ -	\$ 21,078
-	-	72,588
-	481,163	481,163
51,622	-	51,622
<u>242,378</u>	<u>-</u>	<u>242,378</u>
<u>\$ 294,000</u>	<u>\$ 481,163</u>	<u>\$ 868,829</u>
\$ -	\$ -	\$ 1,097
<u>294,000</u>	<u>-</u>	<u>294,000</u>
<u>\$ 294,000</u>	<u>\$ -</u>	<u>\$ 295,097</u>
\$ -	\$ 481,163	\$ 481,163
-	-	51,622
-	-	40,947
<u>\$ -</u>	<u>\$ 481,163</u>	<u>\$ 573,732</u>
<u>\$ 294,000</u>	<u>\$ 481,163</u>	<u>\$ 868,829</u>

See Accountants' Compilation Report and Notes to Financial Statements

FIRE PROTECTION DISTRICT NO.3 OF THE  
PARISH OF ACADIA, STATE OF LOUISIANA  
Combined Statement of Revenues, Expenditures  
and Changes in Fund Balances  
All Governmental Fund Types  
For the Year Ended December 31, 2002

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>
Revenues:			
Intergovernmental Revenues			
Property Tax	\$ 83,591	\$ -	\$ 83,591
Interest	4,013	-	5,153
Miscellaneous	<u>1,689</u>	<u>1,140</u>	<u>1,689</u>
Total Revenues	<u>89,293</u>	<u>1,140</u>	<u>90,433</u>
Expenditures:			
Current:			
Vehicle Expense	\$ 5,041	-	5,041
Utilities	1,872	-	1,872
Supplies / Repairs	17,185	-	17,185
Insurance	10,860	-	10,860
Miscellaneous	3,029	-	3,029
Capital Outlay	226,344	-	226,344
Debt Service			
Principal Retirement	-	41,000	41,000
Interest and Fiscal Charges	<u>-</u>	<u>16,888</u>	<u>16,888</u>
Total Expenditures	<u>264 331</u>	<u>57,888</u>	<u>322,219</u>
Excess (Deficit) of Revenues Over Expenditures	<u>(175,038)</u>	<u>(56,748)</u>	<u>(231,786)</u>
Other Financing Sources:			
Operating Transfers in	-	49,568	49,568
Operating Transfers Out	<u>(49,568)</u>	<u>-</u>	<u>(49,568)</u>
Total Other Financing Sources	<u>(49,568)</u>	<u>49,568</u>	<u>-</u>
Excess of Revenues and Other Sources over Expenditures	(224,606)	(7,180)	(231,786)
Fund Balance, Beginning	<u>265,553</u>	<u>58,802</u>	<u>324,355</u>
Fund Balance, Ending	<u>\$ 40,947</u>	<u>\$51,622</u>	<u>\$ 92,569</u>

See Accountants' Compilation Report and Notes to Financial Statements

FIRE PROTECTION DISTRICT NO.3 OF THE  
PARISH OF ACADIA, STATE OF LOUISIANA  
Combined Statement of Revenues, Expenditures  
and Changes in Fund Balances-General Fund  
Budget and Actual  
For the Year Ended December 31, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Interest	\$ 4,000	\$ 4,013	\$ 13
Miscellaneous	2,000	1,689	(311)
Revenues:			
Intergovernmental Revenues			
Property Tax	<u>76,000</u>	<u>83,591</u>	<u>7,591</u>
Total Revenues	<u>82,000</u>	<u>89,293</u>	<u>7,293</u>
Expenditures:			
Current:			
Vehicle Expense	5,850	5,041	809
Utilities	1,900	1,872	28
Supplies / Repairs	17,000	17,185	(185)
Insurance	10,800	10,860	(60)
Miscellaneous	4,545	3,029	1,516
Capital Outlay	<u>224,000</u>	<u>226,344</u>	<u>(2,344)</u>
Total Expenditures	<u>264,095</u>	<u>264,331</u>	<u>(236)</u>
Excess (Deficit) of Revenues Over Expenditures	<u>(182,095)</u>	<u>(175,038)</u>	<u>7,057</u>
Other Financing Sources (Uses):			
Operating Transfers Out	<u>(49,800)</u>	<u>(49,568)</u>	<u>232</u>
Total Other financing Sources (Uses)	<u>(49,800)</u>	<u>(49,568)</u>	<u>232</u>
Excess of Revenues and Other Sources over Expenditures	(231,895)	(224,606)	7,289
Fund Balance, Beginning	<u>265,500</u>	<u>265,553</u>	<u>53</u>
Fund Balance, Ending	<u>\$ 33,605</u>	<u>\$ 40,947</u>	<u>\$ 7,342</u>

See Accountants' Compilation Report and Notes to Financial Statements

FIRE PROTECTION DISTRICT NO.3 OF THE  
PARISH OF ACADIA, STATE OF LOUISIANA  
Combined Statement of Revenues, Expenditures  
and Changes in Fund Balances-Debt Service  
Fund Budget to Actual  
For the Year Ended December 31, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Interest	\$ 1,000	\$ 1,140	\$ 140
Total Revenues	<u>1,000</u>	<u>1,140</u>	<u>140</u>
Expenditures:			
Debt Service:			
Principal Retirement	41,000	41,000	-
Interest & Fiscal Charges	<u>17,120</u>	<u>16,888</u>	<u>232</u>
Total Expenditures	<u>58,120</u>	<u>57,888</u>	<u>232</u>
Excess (Deficit) of Revenues Over Expenditures	<u>(57,120)</u>	<u>(56,748)</u>	<u>372</u>
Other Financing Sources:			
Operating Transfers In	<u>49,800</u>	<u>49,568</u>	<u>(232)</u>
Total Other Financing Sources	<u>49,800</u>	<u>49,568</u>	<u>(232)</u>
Excess of Revenues and Other Sources over Expenditures	(7,320)	(7,180)	140
Fund Balance, Beginning	<u>59,000</u>	<u>58,802</u>	<u>(198)</u>
Fund Balance, Ending	<u>\$ 51,680</u>	<u>\$ 51,622</u>	<u>\$ (58)</u>

See Accountants' Compilation Report and Notes to Financial Statements



FIRE PROTECTION DISTRICT No. 3 OF THE  
PARISH OF ACADIA, STATE OF LOUISIANA  
Notes to the Financial Statements  
December 31, 2002

INTRODUCTION

As provided by Louisiana Revised Statute Title 40, the fire protection district is governed by five commissioners who are resident property taxpayers of the district. These five commissioners are collectively referred to as the board of commissioners and are appointed by the Acadia Parish Police Jury and the Community of Evangeline. The members serve terms of two years. Vacancies are filled by the bodies making the original appointments. The fire protection district was created to acquire and maintain buildings, machinery, equipment, water tanks, water hydrants and water lines, and any other such things necessary to provide proper fire prevention and control within the district. The fire district is a component unit of the Acadia Parish Police Jury and it has a concentration of risk in that it is supported by the geographical area of the Community of Evangeline.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying general purpose financial statements of the Iota Fire District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Acadia Parish Police Jury is the financial reporting entity for Acadia Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Acadia Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the police jury to impose its will on that organization and/or

FIRE PROTECTION DISTRICT NO. 3 OF THE  
PARISH OF ACADIA, STATE OF LOUISIANA  
Notes to the Financial Statements  
December 31, 2002

- b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
  3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury created the district and is able to exercise influence on the district thru appointments, the district was determined to be a component unit of the Acadia Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the district and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity or on assets owned by the police jury but used by the district.

C. FUND ACCOUNTING

The district uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly effect net expendable available financial resources.

Funds of the district are classified as governmental funds. Governmental funds account for the district's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds of the district include:

1. General Fund--the general operating fund of the district and accounts for all financial resources, except those required to be accounted for in other funds.
2. Debt Service Fund - - accounts for transactions relating to resources retained and used for the payment of principal and interest

FIRE PROTECTION DISTRICT NO. 3 OF THE  
PARISH OF ACADIA, STATE OF LOUISIANA  
Notes to the Financial Statements  
December 31, 2002

on those long-term obligations recorded in the general long-term obligations account group.

Fixed assets are accounted for in the general fixed asset account group, rather than in the General Funds. No depreciation had been provided on general fixed assets. All fixed assets are valued at historical cost. The account group is not a fund. It is concerned only with measurement of financial position and does not involve measurement of results of operations.

Long term liabilities expected to be financed from governmental funds are accounted for in the general long-term debt account group. Long-term debt is recognized as a liability of a governmental fund when due.

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operation statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the governmental funds. The governmental funds use the following practices in recording revenues and expenditure:

Revenues

Revenues are recognized in the accounting period in which they become available and measurable. Specifically, ad valorem taxes are mailed to property owners by the Acadia Parish Sheriff in November of each year (due December 31) and are generally collected the following year. The revenues are budgeted to be spent as they are collected. Liens for non payment are generally placed in August of the ensuring year. Fire insurance rebates are recognized in the year collected.

Expenditures

Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable. Principal and interest on long-term debt are recorded in the accounting period that they were paid.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid (and any other financing source/use) are accounted for as other financing sources (uses). These transactions are recorded as they take place.

FIRE PROTECTION DISTRICT NO. 3 OF THE  
PARISH OF ACADIA, STATE OF LOUISIANA  
Notes to the Financial Statements  
December 31, 2002

E. BUDGETS

The district uses the following practices:

The district prepared a budget for the year ended December 31, 2002. The budget was amended prior to December 21, 2002.

F. BOARD MEMBERS

Board members serve without pay, they are as follows:

Ralph Benoit - President

April Simon - Sec\Treas.

Melvin Clay

Dawn Ward

Derrick Sonnier

G. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments purchased with original maturities of 90 days or less.

Under state law, the district may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the district may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. All cash was adequately collateralized by FDIC insurance.

H. FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

I. COMPENSATED ABSENCES

The district has no employees and therefore has no accrual for compensated absences.



FIRE PROTECTION DISTRICT NO. 3 OF THE  
PARISH OF ACADIA, STATE OF LOUISIANA  
Notes to the Financial Statements  
December 31, 2002

J. TOTAL COLUMNS ON STATEMENTS

The total columns on the statements are captioned Memorandum only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

2. LEVIED TAXES

The following is a summary of authorized and levied ad valorem taxes:

	Levied
	<u>Millage</u>
Maintenance Funding	<u>5.13</u>
Maintenance Funding	\$25 per Household

4. CASH AND CASH EQUIVALENTS

At December 31, 2002, the district has cash and cash equivalents (book balances) totaling \$93,666 as follows:

Demand deposits	\$ 21,078
Certificate of Deposit	<u>72,588</u>
	<u>\$ 93,666</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or resulting bank balance) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 2002 the district has \$99,666 in deposits. These deposits are secured from risk by \$100,000 of federal deposit insurance.

5. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance January 1, 2001	Additions	Deductions	Balance December 31 2002
Buildings	\$ 99,506	\$ 2,758	\$ -0-	\$102,264
Vehicles	84,604	221,430	-0-	306,034
Equipment	<u>70,709</u>	<u>2,156</u>	<u>-0-</u>	<u>72,865</u>
Total	<u>\$254,819</u>	<u>\$226,344</u>	<u>\$ -0-</u>	<u>\$481,163</u>

FIRE PROTECTION DISTRICT NO. 3 OF THE  
PARISH OF ACADIA, STATE OF LOUISIANA  
Notes to the Financial Statements  
December 31, 2002

6. LONG-TERM DEBT

The fire district issued Certificates of Indebtedness, Series 2001, for the purpose of acquiring buildings, machinery, and equipment to be used in providing fire protection to the district. The certificates were issued August 1, 2002, in the amount of \$335,000 to be retired annually with interest rates of 5% per annum, final maturity at March 1, 2009.

Balance, December 31, 2001	\$335,000
Principal Paid	<u>41,000</u>
Balance, December 31, 2002	<u>\$294,000</u>

The annual requirements to amortize all Certificates of Indebtedness outstanding at December 31, 2002 including interest payments of \$54,250 are as follows:

	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2003	\$ 49,800	\$ 36,000	\$ 13,800
2004	49,950	38,000	11,950
2005	50,000	40,000	10,000
2006	49,950	42,000	7,950
2007	49,800	44,000	5,800
2008	49,550	46,000	3,550
2009	<u>49,200</u>	<u>48,000</u>	<u>1,200</u>
	<u>\$348,250</u>	<u>\$ 294,000</u>	<u>\$ 54,250</u>

7. ESTIMATES

The preparation of financial statements in conformity with United States generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

8. CONCENTRATION OF RISKS

The district serves citizens of rural Acadia Parish, Louisiana.

## VIGE & TUJAGUE

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### Independent Accountants' Report on Applying Agreed-Upon Procedures

To the Fire Protection District No. 3 of Acadia Parish

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the Fire Protection District No. 3 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Fire Protection District No. 3's compliance with certain laws and regulations during the year ended December 31, 2002 included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

#### Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:221151 (the public bid law)

There were two expenditures in excess of the Public Bid Law. Bids were made in accordance with the bid law.

#### Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

The District has no employees.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

The District had no employees.

#### Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget.

6. Trace the budget adoption and amendments to the minute book.

We traced the adoption of the budget and the amendment of the budget in the minute book.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceed budgeted amounts by 5% or more.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues for the year did exceed budgeted amounts by more than 5%.

#### Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

(a) trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

(b) determine if payments were properly coded to the correct fund and general ledger account; and

The payments were properly coded.

c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from Board of Directors.

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).



The District is only required to post a notice of each meeting and the accompanying agenda on the door of the district's office building. The regular meetings are posted once a year and any special meetings were posted also.

#### Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected copies of all bank deposit slips for the period under examination and noted no deposit which was proceeds of indebtedness.

#### Advance and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

The District has no employees.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. This report is intended solely for the use of management of the Fire Protection District No. 3 of Acadia Parish and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposed. However, this report is a matter of public record and its distribution is not limited.

*Vige & Tujague*

Vige & Tujague

July 2, 2003

FIRE PROTECTION DISTRICT NO. 3 OF THE  
PARISH OF ACADIA, STATE OF LOUISIANA  
SCHEDULE OF FINDINGS AND RECOMMENDATIONS  
December 31, 2002

2002-1 FAILURE TO COMPLY WITH BUDGET ACT

CONDITION

The district did not comply with the Louisiana Local Government Budget Act.

CAUSE

The district prepared amendments to the budget to avoid the 5% variation between expected and actual revenues and expenses. However, they received more revenue than expected and failed to amend property tax revenue to be within the 5% range.

CRITERIA

The Louisiana Local Government Budget Act requires that the district adopt the proposed budget before the beginning of the fiscal year and document approval in the board minutes. The budget must also be monitored during the fiscal year and amended when certain conditions occur.

EFFECT

The district violated the Louisiana Local Government Budget Act. In addition the effectiveness of the district's budgetary controls over revenues and expenses are weakened.

RECOMMENDATION

We recommend, and the district complies, that the district follow the provisions of the Budget Act.

FIRE PROTECTION DISTRICT NO. 3 OF THE  
PARISH OF ACADIA, STATE OF LOUISIANA  
SCHEDULE OF PRIOR YEAR'S  
FINDINGS AND RECOMMENDATIONS  
December 31, 2002

2001-1    FAILURE TO COMPLY WITH BUDGET ACT

CONDITION

The district did not comply with the Louisiana Local Government Budget Act.

CAUSE

The district did not prepare a budget for the year ended December 31, 2002 as management was not aware of this requirement.

CRITERIA

The Louisiana Local Government Budget Act requires the district to prepare a budget for the general fund and make it available as a public document at least 15 days before the beginning of the fiscal year. A public hearing must be conducted prior to adoption of the proposed budget. The budget must also be monitored during the fiscal year and amended when certain conditions occur.

EFFECT

The district violated the Louisiana Local Government Budget Act, in addition the effectiveness of the district's budgetary controls over revenues and expenses are weakened and public participation is restricted during the budgetary process.

RECOMMENDATION

We recommend that the district follow the provisions of the Budget Act. Also we recommend management prepare a budget for the fiscal year ended December 31, 2002.

STATUS

This finding was partially resolved as of December 31, 2002.

**FIRE PROTECTION DISTRICT NO. 3 OF ACADIA PARISH  
LOUISIANA ATTESTATION QUESTIONNAIRE**

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P. O. Box 1006  
Eunice, La. 70535

In connection with your compilation of our financial statements as of December 31, 2002 and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of June 19, 2002.

**Public Bid Law**

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..

Yes [ x ] No [ ]

**Code of Ethics for Public Officials and Public Employees**

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes [ x ] No [ ]

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes [ x ] No [ ]

**Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes [ x ] No [ ]

**Accounting and Reporting**

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes [ x ] No [ ]

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes [ x ] No [ ]

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.  
Yes [ x ] No [ ]

#### Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.  
Yes [ x ] No [ ]

#### Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.85.  
Yes [ x ] No [ ]

#### Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.  
Yes [ x ] No [ ]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

April Admon Secretary 6-30-03 Date  
RSB President 6-22-03 Date

FIRE PROTECTION DISTRICT NO. 3 OF THE  
PARISH OF ACADIA, STATE OF LOUISIANA  
District's Corrective Action Plan  
December 31, 2002

2001-2 FAILURE TO COMPLY WITH BUDGET ACT

The district agrees with the findings and recommendations and expect to clear this finding by December 31, 2003. The district will prepare amendments to the budget to avoid the 5% variation between expected and actual revenues.

Ralph Benoit, President